

AMENDED IN ASSEMBLY APRIL 8, 2010

CALIFORNIA LEGISLATURE—2009—10 REGULAR SESSION

ASSEMBLY BILL

No. 2510

Introduced by Assembly Member Fletcher

February 19, 2010

An act to ~~amend Section 20630 of~~ *add Section 22894 to* the Government Code, relating to public employees' retirement.

LEGISLATIVE COUNSEL'S DIGEST

AB 2510, as amended, Fletcher. Public employees' retirement: ~~compensation.~~ *contracting agencies; postretirement health coverage.*

The Public Employees' Retirement Law permits any public agency, as defined, to enter into a contract to participate in the Public Employees' Retirement System, as specified. The Public Employees' Medical and Hospital Care Act authorizes the Board of Administration of the Public Employees' Retirement System to contract with carriers for health benefit plans and major medical plans for employees and annuitants, as defined.

This bill would authorize the City of San Diego to enter into an agreement with its employees to provide employer contributions for postretirement health care coverage to employees with at least 10 years of credited service with the City of San Diego, effective for employees that retire on or after the date that a memorandum of understanding that authorizes this benefit becomes effective.

~~The Public Employees' Retirement Law defines the term "compensation" for purposes of determining required contributions and benefits. Existing law requires an employer to report compensation paid and to identify the pay period in which the compensation is earned.~~

~~This bill would make a technical, nonsubstantive change to that section.~~

Vote: majority. Appropriation: no. Fiscal committee: ~~no~~ yes.
State-mandated local program: no.

The people of the State of California do enact as follows:

1 SECTION 1. Section 22894 is added to the Government Code,
2 to read:

3 22894. (a) Notwithstanding any other provision of this part,
4 the City of San Diego, the employees' exclusive representative,
5 and unrepresented employees may agree that the employer
6 contribution for postretirement health coverage shall be subject
7 to the following:

8 (1) Credited years of service that the employee worked with the
9 City of San Diego.

10 (2) A memorandum of understanding regarding postretirement
11 health coverage mutually agreed upon through collective
12 bargaining. This issue may not be subject to the impasse
13 procedures set forth in Article 9 (commencing with Section 3548)
14 of Chapter 10.7 of Division 4 of Title 1.

15 (b) This section is not applicable to any employee who retired
16 before the effective date of the memorandum of understanding. In
17 the event that the memorandum of understanding establishes a
18 retroactive effective date, this section applies only prospectively
19 and any employee who retires before the memorandum of
20 understanding is signed may not be affected by it.

21 (c) No agreement reached pursuant to subdivision (a) shall be
22 valid if it provides an employer contribution for employees with
23 less than 10 years of credited service with the City of San Diego.

24 (d) The City of San Diego shall provide, in the manner
25 prescribed by the board, a notification of the agreement established
26 pursuant to this section and any additional information necessary
27 to implement this section.

28 ~~SECTION 1. Section 20630 of the Government Code is~~
29 ~~amended to read:~~

30 ~~20630. (a) As used in this part, "compensation" means the~~
31 ~~remuneration paid out of funds controlled by the employer in~~
32 ~~payment for the member's services performed during normal~~

1 ~~working hours or for time during which the member is excused~~
2 ~~from work because of any of the following:~~
3 ~~(1) Holidays.~~
4 ~~(2) Sick leave.~~
5 ~~(3) Industrial disability leave, during which, benefits are payable~~
6 ~~pursuant to Sections 4800 and 4850 of the Labor Code, Article 4~~
7 ~~(commencing with Section 19869) of Chapter 2.5 of Part 2.6, or~~
8 ~~Section 44043 or 87042 of the Education Code.~~
9 ~~(4) Vacation.~~
10 ~~(5) Compensatory time off.~~
11 ~~(6) Leave of absence.~~
12 ~~(b) When compensation is reported to the board, the employer~~
13 ~~shall identify the pay period in which the compensation was earned,~~
14 ~~regardless of when reported or paid. Compensation shall be~~
15 ~~reported in accordance with Section 20636 and shall not exceed~~
16 ~~compensation earnable, as defined in Section 20636.~~